

(f) Allotters shall agree that OPM shall be held harmless for any authorized allotment request made by an allottee in accordance with the allottee's agreement with OPM.

(g) Allotters shall agree that disputes regarding any authorized allotment shall be a matter between the allotter and the allottee.

(h) The total number of allottees shall be limited to twenty (20), with first preference given to those organizations participating in the Federal Employees Health Benefits Program. Thereafter, preference shall be based on the date of application and the number of annuitants who have completed allotment authorizations.

(i) OPM, in its discretion, shall recover from the allottee, the incremental costs of making allotments.

(j) OPM, in its sole discretion, may terminate an allottee's participation in the allotment program described by this subpart at any time in accordance with its agreement with the allottee.

Subparts P–Q [Reserved]

Subpart R—Agency Requests to OPM for Recovery of a Debt from the Civil Service Retirement and Disability Fund

SOURCE: 51 FR 45443, Dec. 19, 1986, unless otherwise noted.

§ 831.1801 Purpose.

This subpart prescribes the procedures to be followed by a Federal agency when it requests the Office of Personnel Management (OPM) to recover a debt owed to the United States by administrative offset against money due and payable to the debtor from the Civil Service Retirement and Disability Fund (the Fund). This subpart also prescribes the procedures that OPM must follow to make these administrative offsets.

§ 831.1802 Scope.

This subpart applies to agencies, employees, and Members, as defined by § 831.1803.

§ 831.1803 Definitions.

For purposes of this subpart, terms are defined as follows—

Act means the Federal Claims Collection Act of 1966 as amended by the Debt Collection Act of 1982 and implemented by 4 CFR 101.1 *et seq.*, the Federal Claims Collection Standards (FCCS).

Administrative offset means withholding money payable from the Fund to satisfy a debt to the United States under 31 U.S.C. 3716.

Agency means (a) an Executive agency as defined in section 105 of title 5, United States Code, including the U.S. Postal Service and the U.S. Postal Rate Commission; (b) a military department, as defined in section 102 of title 5, United States Code; (c) an agency or court in the judicial branch, including a court as defined in section 610 of title 28, United States Code, the District Court for the Northern Mariana Islands, and the Judicial Panel on Multidistrict Litigation; (d) an agency of the legislative branch, including the U.S. Senate and the U.S. House of Representatives; and (e) other independent establishments that are entities of the Federal Government.

Annuitant has the same meaning as in section 8331(9) of title 5, United States Code.

Annuity means the monthly benefit payable to an annuitant or survivor annuitant.

Compromise has the same meaning as in 4 CFR part 103.

Consent means the debtor has agreed in writing to administrative offset after receiving notice of all rights under 31 U.S.C. 3716 and this subpart.

Creditor agency means the agency to which the debt is owed.

Debt means an amount owed to the United States on account of loans insured or guaranteed by the United States, and other amounts due the United States from fees, duties, leases, rents, royalties, services, sales of real or personal property, overpayments, fines, penalties, damages, interests, taxes, forfeitures, etc.

Debt claim means an agency request for recovery of a debt in a form approved by OPM.

Debtor means a person who owes a debt, including an employee, former

§ 831.1804

5 CFR Ch. I (1–1–04 Edition)

employee, Member, former Member, or the survivor of one of these individuals.

Employee has the same meaning as in section 8331(1) of title 5, United States Code, and includes reemployed annuitants and employees of the U.S. Postal Service.

Fraud claim means any debt designated by the Attorney General (or designee) as involving an indication of fraud, the presentation of a false claim, or misrepresentation on the part of the debtor or any other party having an interest in the claim.

Fund means the Civil Service Retirement and Disability Fund established under 5 U.S.C. 8348.

Lump-sum credit has the same meaning as in section 8331(8) of title 5, United States Code.

Member has the same meaning as in section 8331(2) of title 5, United States Code.

Net annuity means annuity after excluding amounts required by law to be deducted. For example, Federal income tax is excluded up to the maximum amount that the individual is entitled to for all dependents. Other examples of exclusions are group health insurance premiums (including amounts deducted for Medicare) and group life insurance premiums.

Paying agency means the agency that employs the debtor and authorizes the disbursement of his or her current pay account.

Refund means the payment of a lump-sum credit to an individual who meets all requirements for payment and files application for it.

§ 831.1804 Conditions for requesting an offset.

An agency may request that money payable from the Fund be offset to recover any valid debt due the United States when all of the following conditions are met:

(a) The debtor failed to pay all of the debt on demand, or the creditor agency has collected as much as possible from payments due the debtor from the paying agency; and

(b) The creditor agency sends a debt claim to OPM (under § 831.1805(b) (1), (2), (3), or (4), as appropriate) after doing one of the following:

(1) Obtaining a court judgment for the amount of the debt;

(2) Following the procedures required by 31 U.S.C. 3716 and 4 CFR 102.4;

(3) Following the procedures required by 5 U.S.C. 5514 and § 550.1107 of this title; or

(4) Following the procedures agreed upon by the creditor agency and OPM, if it is excepted by § 831.1805(b)(4) from the completion of procedures prescribed by § 831.1805(b)(3).

§ 831.1805 Creditor agency processing for non-fraud claims.

(a) *Where to submit the debt claim, judgment or notice of debt*—(1) *Creditor agencies that are not the debtor's paying agency.* (i) If the creditor agency knows that the debtor is employed by the Federal Government, it should send the debt claim to the debtor's paying agency for collection.

(ii) If some of the debt is unpaid after the debtor separates from the paying agency, the creditor agency should send the debt claim to OPM as described in paragraph (b) of this section.

(2) *Creditor agencies that are the debtor's paying agency.* Ordinarily, debts owed the paying agency should be offset under 31 U.S.C. 3716 from any final payments (salary, accrued annual leave, etc.) due the debtor. If a balance is due after offsetting the final payments or the debt is discovered after the debtor has been paid, the paying agency may send the debt claim to OPM as described in paragraph (b) of this section.

(b) *Procedures for submitting a debt claim, judgment or notice of debt to OPM*—(1) *Debt claims for which the agency has a court judgment.* If the creditor agency has a court judgment against the debtor specifying the amount of the debt to be recovered, the agency should send the debt claim and two certified copies of the judgment to OPM.

(2) *Debt claims previously processed under 5 U.S.C. 5514.* If the creditor agency previously processed the debt claim under section 5514, it should—

(i) Notify the debtor that the claim is being sent to OPM to complete collection from the Fund; and

(ii) Send the debt claim (on SF 2805) to OPM with two copies of the paying agency's certification of the amount